



New York State Department of Taxation and Finance
Taxpayer Services Division
Technical Services Bureau

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Important Notice

Transporters of Motor Fuel, Diesel Motor Fuel and Cigarettes to Indian Reservations

Beginning April 1, 1997, transporters of motor fuel, diesel motor fuel or cigarettes destined for delivery on a qualified Indian reservation must learn the tax status of the product being transported. If the product is untaxed motor fuel, diesel motor fuel or unstamped cigarettes, the transporter must, before transporting the product, receive the New York State Tax Department registration number of the reservation dealer to whom the untaxed product is to be delivered. In addition, the transporter must obtain the serial numbers of the applicable tax exemption coupons covering the amount of untaxed motor fuel, diesel motor fuel or unstamped cigarettes being delivered on an Indian reservation. These numbers, which should be supplied by the party arranging for the transportation, must be recorded on the manifest, invoice, delivery ticket or other transportation document.

These requirements result from the implementation, effective April 1, 1997, regulations adopted under the New York State Tax Law providing for tax-free sales of motor fuel, diesel motor fuel and cigarettes to qualified Indians on Indian reservations.

Starting in February, retail dealers located on Indian reservations will be required to register with the New York State Tax Department as reservation dealers. Each month these registered reservation dealers will receive serially numbered tax exemption coupons from the Tax Department entitling them to purchase a specified amount of untaxed motor fuel, diesel motor fuel and unstamped cigarettes for sale to qualified Indians. To purchase untaxed product, a registered reservation dealer must properly complete the tax exemption coupon (Form AU-14) and present it to the supplier at or before delivery of the product. If the tax exemption coupon is not presented before delivery, the dealer must, when placing the order for tax-exempt product, provide the supplier with the dealer's tax registration number and the serial number of each

coupon being redeemed. This information must be given to the supplier before delivery so that it may appear on the invoice or other shipping document.

Sales of these products to persons not registered by the department, sales not supported by a properly completed tax exemption coupon, or sales made in excess of the printed amount shown on the coupon are presumed to be sales that are not exempt under this system.

Besides the requirements stated above, anyone transporting motor fuel (gasoline, aviation gas, benzol, etc.) into New York State for use, distribution, storage or sale within the state or transporting motor fuel from New York State must be licensed by the Tax Department as an importing/exporting transporter. A carrier who transports such motor fuel into New York State without a license is subject to criminal prosecution.

To apply for this license, complete Form TP-128.3, *Application for Registration as a Distributor of Motor Fuel, Importing/Exporting Transporter, Terminal Operator or Liquefied Petroleum Gas Fuel Permitter*. Although no license is needed if only diesel motor fuel is transported into New York State, the transporter must report such importation of diesel motor fuel on Form FT-942 for the month in which the transportation occurs.

Failure to comply with these requirements may subject the transporter to civil and criminal sanctions, including seizure of the product being transported and of the vehicle being used to transport that product.

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Exempt Indian Nations and Tribes and Qualified Reservations**Exempt Nations and Tribes - as defined by state and federal law:****Cayuga****Seneca Nation of Indians****Onelds Indian Nation****Shinnecock****Onondaga Nation of Indians****Tonawanda Band of Senecas****Poospatuck or Unkechaug****Tuscarora Nation of Indians****Saint Regis Mohawk****Qualified Reservations****Allegany Indian Reservation****Saint Regis Mohawk (Akwesasne) Indian Reservation****Cattaraugus Indian Reservation****Oil Spring Indian Reservation****Shinnecock Indian Reservation****Onelds Indian Territory****Tonawanda Indian Reservation****Onondaga Indian Reservation****Tuscarora Indian Reservation****Poospatuck Indian Reservation****Need Help?**

For information, forms or publications, call the Business Tax Information Center at 1 800 972-1233. For information, you can also call toll free 1 800 225-5829. For forms and publications, you can also call toll free 1 800 462-8100.

Telephone assistance is available from 8:30 a.m. to 4:25 p.m., Monday through Friday.

From areas outside the U. S. and Canada, call (518) 485-6800.

Hotline for the Hearing and Speech Impaired - If you have a hearing or speech impairment and have access to a telecommunications device for the deaf (TDD), you can get answers to your New York State tax questions by calling toll free from the U. S. and Canada 1 800 634-2110. Hours of operation are from 8:30 a.m. to 4:15 p.m., Monday through Friday. If you do not own a TDD, check with independent living centers or community action programs to find out where machines are available for public use.

Persons with Disabilities - In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call the information number listed above.

If you need to write, address your letter to: NYS Tax Department, Taxpayer Assistance Bureau, W A Harriman Campus, Albany NY 12227.